

INVESTOR MOTION, LLC

FIRM BROCHURE
(ADV PART 2A)

MARCH 15, 2012

*Investor Motion, LLC
1090 S. Fillmore Way
Denver, CO 80209
Phone: (303) 477-0936
Website: www.investormotion.com*

This brochure provides information about the qualifications and business practices of Investor Motion, LLC. If you have any questions about the contents of this brochure, please contact us at info@investormotion.com.

Investor Motion, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Investor Motion, LLC is available on the SEC's website www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Adviser is 158751.

2. MATERIAL CHANGES

Item 4B: Offering of investment strategies updated (GainsMaker and GainsPlanner)

Item 4E: Assets Under Management (AUM) is \$1,376,000 as of March 21, 2012

Item 5A: Advisor Fees reduced and divided into a fee schedule for each investment strategy offered (GainsMaker and GainsPlanner)

TABLE OF CONTENTS

Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business	4
Item 5. Fees and Compensation	5
Item 6. Performance-Based Fees and Side-By-Side Management	6
Item 7. Types of Clients	7
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.....	7
Item 9. Disciplinary Information.....	11
Item 10. Other Financial Industry Activities and Affiliations.....	12
Item 11. Code of Ethics Participation or Interest in Client Transactions and Personal Trading	12
Item 12. Brokerage Practices	13
Item 13. Review of Accounts	14
Item 14. Client Referrals and Other Compensation.....	14
Item 15. Custody	14
Item 16. Investment Discretion.....	14
Item 17. Voting Client Securities.....	15
Item 18. Financial Information.....	15

4. ADVISORY BUSINESS

A. OWNERSHIP/ADVISOR HISTORY

Investor Motion, LLC (“Investor Motion” or “the firm”) is owned by Scott P. Hawes and J. Jason Parker. It was formed as a Colorado limited liability company in January 2011 and subsequently registered as an internet only investment adviser in 2011.

B. ADVISORY SERVICES OFFERED

Investor Motion is a registered investment adviser that provides portfolio management services exclusively through its interactive website, www.investormotion.com. The firm’s clients take an online questionnaire that measures their risk tolerance, investment goals and investment objectives. It also gathers other information about the client such as investment experience, household income, age, investable assets, etc. The client’s answers are used to formulate a recommended allocation into one or more of the firm’s investment portfolios. The amount of assets allocated to each investment strategy is determined by the client. The firm does not offer tailored advisory services.

Investor Motion offers two actively managed investment strategies that involve frequent transactions in various securities, including, but not limited to, stocks, options, exchange traded funds (ETF’s), and futures. Actively managed accounts that involve frequent trading incur higher transaction costs through brokerage commissions and short-term capital gains and losses. As such, frequent trading inherently affects overall portfolio performance and should be considered when choosing to allocate assets to these strategies.

The firm’s actively managed investment strategies are centered in technical analysis, but the firm does not discount fundamental, economic, and geopolitical factors that inherently influence asset prices. The investment strategies are actively managed on a day-to-day basis and are designed to capture short and long term price changes with holding periods ranging from intraday to several weeks/months, and sometimes years.

The following two investment strategies that are executed in individual client accounts are summarized below. If a client allocates assets to both strategies the firm requires a separate brokerage account to be opened for each strategy.

GainsMaker: This strategy seeks to act as an overall portfolio hedging strategy that is designed to enhance overall client returns in rising, flat, or even moderately bearish markets. GainsMaker initiates long, short, and market neutral positions and seeks to capture short-term intraday price changes concentrated in highly liquid equity index instruments such as exchange traded funds (ETF’s), options, and futures contracts in the S&P 500, DJIA 30, NASDAQ 100, and Russell 2000. GainsMaker also seeks to capture multi-day/week/month price changes concentrated in individual equities, options, exchange traded funds (ETF’s), and futures contracts when appropriate. The strategy utilizes option strategies including but not limited to bullish and bearish defined risk option spreads, credit/debit spreads, and iron condors, along with long and short

equity and option positions. GainsMaker seeks to manage risk by either holding cash or hedging positions when the advisor feels conditions warrant such positioning. We feel that this approach offers the best balance between risk and reward in order to produce consistent returns in rising, flat, or even modestly bearish markets.

In addition to the GainsMaker strategy, Investor Motion offers an investment strategy intended for clients who seek a more actively managed investment portfolio as follows:

GainsPlanner: This strategy is managed on a day-to-day basis but typically involves less frequent transactions than described in the GainsMaker strategy above. GainsPlanner seeks to capture multi-week/month/year price changes concentrated in individual equities and exchange traded funds (ETF's). This strategy is a more traditional portfolio management strategy that focuses on longer-term capital appreciation, growth, income and dividends, and utilizes covered calls and futures contracts as a means to hedge portfolio risk and enhance overall returns. GainsPlanner seeks to manage portfolio risk by either holding cash or hedging positions when the advisor feels conditions warrant such positioning. The strategy also utilizes option strategies including but not limited to covered calls, bullish and bearish defined risk option spreads, credit spreads, and iron condors, along with long and short equity and option positions. We feel that this approach offers the best balance between risk and reward in order to produce consistent returns in rising, flat, or even modestly bearish markets.

It is important to remember Investor Motion is an internet based investment adviser. As such, it does not offer personalized investment advice tailored to individual client needs; rather all advice is based on the methodology and goals of the individual investment strategies described above. Additionally, as an internet based investment adviser all client communications should be conducted through the firm's interactive website, www.investormotion.com.

Investor Motion does not offer advice on taxes. Clients should consult their accountant or tax adviser prior to investing.

C. TAILORED SERVICES

Investor Motion's Portfolio Management Services are tailored to the goals of each portfolio. As a result, the firm does not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account.

D. WRAP PROGRAM

Investor Motion does not sponsor a wrap program. This section is not applicable.

E. CLIENT ASSETS MANAGED

As of March 21, 2012 Investor Motion has the following discretionary and non-discretionary assets under management:

Discretionary: \$1,376,000

Non-discretionary: \$0

5. FEES AND COMPENSATION

A. SELECTION OF THIRD PARTY ADVISERS SERVICES

Fees for portfolio management services will be a percentage of the assets under management within each investment strategy (GainsMaker and/or GainsPlanner). Fees for services to be performed will not be collected six or more months in advance. Fees will be calculated, accrued, due and collected daily in advance based upon the monthly rates below for each strategy.

GainsMaker

Account Value	Management Fee*
Up to \$20,000	.65%
\$20,000 - \$40,000	.60%
\$40,000 - \$70,000	.55%
\$70,000 +	.50%

*Please note that this asset management fee is in excess of the industry norms due to the rigor involved in the daily management of the GainsMaker strategy. Similar services may or may not be obtained for a lower fee.

GainsPlanner

Account Value	Management Fee
Up to \$150,000	.250%
\$150,000 - \$300,000	.225%
\$300,000 - \$500,000	.200%
\$500,000 - \$1,000,000	.175%
\$1,000,000 +	.150%

The first month's management fee for each strategy will be calculated on the Account's initial value as reported by its custodian. Thereafter, the management fee for each strategy will be calculated on the Account's custodian reported value as of the preceding month-end. Cash balances and investments in money market funds, demand deposit accounts, and certificates of deposit at banks or brokerage firms are covered by the Account and are included in the fee calculations.

Advisor fees are retroactive which means the Account's entire value is charged at the lowest applicable fee.

In addition to the firm's monthly portfolio management fees, the client may also incur certain charges imposed by unaffiliated third parties. Such charges include, but are not limited to, custodial fees, brokerage commissions, transaction fees, charges imposed directly by a mutual

fund, index fund, or exchange traded fund purchased for the account which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Investor Motion does not receive any portion of these charges.

Termination of Selection and monitoring Services

A client may terminate this service for any reason within the first five (5) business days after signing the separate investment advisory contract without any cost or penalty. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice to the firm via email at info@investormotion.com or by mail at Investor Motion, LLC, 1090 S. Fillmore Way, Denver, CO 80209. Upon notice of termination, fees will be prorated based upon the number of days that services were rendered during the termination quarter and any excess fees will be refunded to the client.

6. PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

Investor Motion does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

7. TYPES OF CLIENTS

Investor Motion's GainsMaker strategy is offered to individuals with a minimum account size of \$15,000. The firm's GainsPlanner strategy is offered to individuals with a minimum account size of \$50,000. The minimum account size is non-negotiable.

8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

The amount of assets each client allocates to the investment strategies is solely at his/her discretion. Investor Motion offers online questionnaires and tools on its website based on mathematical calculations to help clients determine the appropriate amount of assets to allocate to the strategies. The recommended allocation may vary depending upon each client's individual financial situation. As such, recommendations to clients for asset allocation is based on mathematical calculations related to the information provided by the client that includes risk tolerance, time horizon, net worth/financial information, and various other suitability factors.

Investor Motion uses various independent research materials to help manage and execute the investment strategies. These include, but are not limited to: Trade the News, Market Watch, Econoday, Seeking Alpha, Securities and Exchange Commission Filings, Annual Reports, Conference Calls, Investment Conferences, and Various Independent Research Reports and News Publications.

Additionally, the firm may also use one or more of the following methods of analysis when managing and executing its trading strategies:

- **Charting Analysis** – involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations and algorithms. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- **Technical Analysis** – involves studying past price patterns, moving averages, Fibonacci retracements, support and resistance levels, and various other technical indicators to determine overall trends in the financial markets and to predict the direction of both the overall market and specific stocks.
- **Relative Strength Analysis** – is associated with technical analysis that helps evaluate the momentum of the investment or investment sectors being analyzed. Relative Strength measures a particular investment or investment sector price change over a given time frame and compares that change to the change in other investment sectors. Relative Strength is used help predict the direction of both the overall market and specific stocks.
- **Fundamental Analysis** – involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's products and services, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Economic Analysis** – a type analysis that involves evaluating economic conditions to help predict the future condition of the economy and its trends.

B. INVESTMENT RISK

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear.** Obtaining higher rates of return on investments entails accepting higher levels of risk. Clients need to ask questions about risks they do not understand. The firm would be pleased to discuss them.

Investor Motion strives to render its best judgment on behalf of its clients. Still, it cannot assure or guarantee clients that investments will be profitable or assure that no losses will occur in an investment portfolio. Past performance is an important consideration with respect to any investment or investment adviser but is not a reliable predictor of future performance. An investment could lose money over short or even long periods. A client should expect his/her account value and returns to fluctuate within a wide range, like the fluctuations of the overall stock and bond markets. The firm continuously strives to provide outstanding long-term investment performance, but many economic and market variables beyond our control can affect the performance of an investment portfolio. The client's account performance could be hurt by:

- **Stock market risk or Systematic risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

- **Systemic risk:** The chance that an event can trigger a collapse in a certain industry or the economy and cause assets prices to fall sharply.
- **Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates. Interest rate risk will vary for the client, depending on the amount of client assets invested in bonds.
- **Manager risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **Active management fees risk:** Active management strategies that involve frequent trading generate higher transaction costs that diminish the portfolio's return. In addition, the short-term capital gains resulting from frequent trades often have an unfavorable income tax impact when such funds are held in a taxable account.
- **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, and regulatory and financial reporting standards, that differ from those of the U.S.
- **Terrorism Risk:** The chance that domestic and international stock prices will decline due to a terrorist event.
- **Political Risk:** The chance that a change in government may affect stock prices of domestic or international stocks.
- **Natural Risks:** The chance that a natural catastrophe (earthquakes, hurricanes, etc.) may affect stock prices of domestic or international stocks

C. RECOMMENDED SECURITIES AND THEIR RISKS

The firm primarily uses the following securities in its portfolios:

Stocks

Definition. The equity or stock of a business entity represents the original capital paid into or invested in the business by its founders. It serves as a security for the creditors of a business since it cannot be withdrawn to the detriment of the creditors. Stock is distinct from the property and the assets of a business which may fluctuate in quantity and value.

Principal Risk. There is no guarantee that a stock will go up in value. A stock's price fluctuates, which means a client could lose money by investing in an equity security.

Risks of stock investing. Stocks generally fluctuate in value more than bonds and may decline significantly over short time periods. There is the chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising prices and falling prices. The value of a stock may decline due to general weakness in the stock market or because of factors that affect a company or a particular industry.

Investment style risk. Different investment styles tend to shift in and out of favor, depending on market conditions and investor sentiment. Growth stocks tend to be more volatile than value stocks and their prices usually fluctuate more dramatically than the overall stock market. A stock with growth characteristics can have sharp price declines due to decreases in current or expected earnings and may lack dividends that can help cushion its share price in a declining market.

Exchange Traded Funds (“ETF”)

Definition: An exchange-traded fund (ETF) is an investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds and trades at approximately the same price as the net asset value of its underlying assets over the course of the trading day. Most ETFs track an index, such as the S&P 500.

ETF investments have risks similar to stocks. There are risks involved with investing in ETFs including the risk of principal (i.e. possible loss of money). The share price may trade above or below the purchase price.

Market Risk: Since the ETF invests most or a substantial portion of its assets in stocks, it is subject to stock market risk. Market risk involves the possibility that the value of the ETF’s investments in stocks will decline due to drops in the stock market. In general, the value of the ETF will move in the same direction as the overall stock market in which the ETF invests, which will vary from day to day in response to the activities of individual companies, as well as general market, regulatory, political and economic conditions.

Trading Risk: Although ETFs will be listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained. In addition, trading in the ETF on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in the ETF inadvisable. Further, trading in the ETF on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange “circuit breaker” rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the ETF will continue to be met or will remain unchanged.

Value Stock Risk: Value stocks are subject to the risk that their intrinsic value may never be realized by the market or that their prices may go down. While the ETF’s investments in value stocks may limit its downside risk over time, the ETF may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk.

Options

Definition: Options are derivative securities, which mean they derive their value from that of an underlying instrument, such as a stock, stock index, interest rate or foreign currency. An option is a contract that establishes a price and time frame for the purchase or sale of a particular security. Two parties are involved in the contract: one party receives the right to exercise the contract to buy or sell the underlying security; the other is obligated to fulfill the terms of the contract.

Risks: Like other securities - including stocks, bonds, and mutual funds - options carry no guarantees, and a person must be aware that it is possible to lose all of the principal he/she invests, and sometimes more. As an option holder, a person risks the entire amount of the premium he/she paid pay. But as an options writer, a person takes on a much higher level of risk. For example, if a person writes an uncovered call, he/she faces unlimited potential loss, since there is no cap on how high a stock price can rise. However, since initial options investments usually requires less capital than equivalent stock positions, potential cash losses as an options investor are usually smaller than if someone bought the underlying stock or sold the stock short. The exception to this general rule occurs when an option is used to provide leverage: Percentage returns are often high, but it is important to remember that percentage losses can be high as well.

Futures

Definition: A futures contract is a financial contract that obligates a buyer to purchase an asset (or a seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts detail the quality and quantity of the underlying asset; they are standardized to facilitate trading on a futures exchange. Some futures contracts may call for physical delivery of the asset, while others are settled in cash. The futures markets are characterized by the ability to use very high leverage relative to stock markets. The firm limits the use of futures contracts to the S&P 500, the Dow Jones Industrial Average, the NASDAQ 100 and the Russell 2000.

Futures can be used either to hedge or to speculate on the price movement of the underlying asset. The firm uses these contracts as hedging mechanism for the client's account and also the clients overall investment portfolio.

Risks: An investment in futures investment involves a high degree of risk, is speculative and volatile. An investor could lose all or a substantial part of his or her investment. There is no guarantee that an investment of this type will achieve its objectives. Future investments involve the use of significant leverage that may increase the risk of investment loss. Unlike options, futures convey an obligation to the buyer. The risk to the holder is unlimited, and because the payoff pattern is symmetrical, the risk to the seller is unlimited as well. Dollars gained and lost by each party on a futures contract are equal and opposite. In other words, a futures contract represents a pledge to make a certain transaction at a future date. The exchange of assets occurs

on the date specified in the contract. Futures are distinguished from generic forward contracts in that they contain standardized terms, trade on a formal exchange, are regulated by overseeing agencies, and are guaranteed by clearinghouses. Also, in order to insure that payment will occur, futures have a margin requirement that must be settled daily. Finally, by making an offsetting trade, taking delivery of goods, or arranging for an exchange of goods, futures contracts can be closed.

The Firm considers futures investments suitable solely for the risk capital portion of a portfolio. If a futures contract does not perform in a manner that has a low correlation to the performance of traditional financial markets or does not perform successfully, investors will obtain no diversification benefits by investing in such fund. Investors via IRA accounts should be aware that investments in futures may endure extended periods of losses, which should be of particular concern if such an investor maintains a high concentration of futures investments within such IRA accounts.

9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to your evaluation of the Firm or the integrity of its management.

Investor Motion has not disclosed information applicable to this Item because it and its management have not been the subject of any administrative, civil, criminal or self-regulatory proceedings.

10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. BROKER-DEALER AFFILIATIONS

The firm is not affiliated with a broker-dealer.

B. FUTURES/COMMODITIES FIRM AFFILIATION

The firm is not affiliated with a futures or commodities firm.

C. OTHER INDUSTRY AFFILIATIONS

The firm's co-owner, John Jason Parker, is an independent real estate agent. He spends approximately 5 to 10 hours a month on this activity. Mr. Parker may recommend these services to clients. With the ability to work as a client's real estate agent and investment adviser representative, this could be viewed as a conflict of interest because each service pays a separate fee or commission. However, Mr. Parker attempts to mitigate any conflicts of interest to the best of his ability by placing the client's interests ahead of his own and through the implementation of policies and procedures that address the conflict. Also, a client is never obligated to purchase recommended real estate through Mr. Parker.

D. SELECTION AND MONITORING OF THIRD PARTY INVESTMENT ADVISERS

The firm does not select and monitor third party investment advisers.

11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. DESCRIPTION

The firm's Code of Ethics establishes ideals for ethical conduct upon fundamental principles of openness, integrity, honesty, and trust. The firm will provide a copy of our Code of Ethics to any client or prospective client upon request.

The firm's Code of Ethics covers all supervised persons and it describes its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at the Firm must acknowledge the terms of the Code of Ethics annually, or as amended.

B. MATERIAL INTEREST IN SECURITIES

The firm, its owners and investment adviser representatives do not have a material interest in any securities.

C. INVESTING IN OR RECOMMENDING THE SAME SECURITIES

It is Investor Motion's policy to encourage and allow owners and investment adviser representatives to invest in the firm's investment strategies. The firm believes its employees should bear the same risks as its clients. The firm attempts to mitigate the conflict of interest to the best of its ability through the enactment of a Code of Ethics, trading policies, and its fiduciary responsibilities. Nonetheless, the firm generally attempts to place client transactions ahead of the owners and investment adviser representatives' trades. The associates of the firm are aware of their fiduciary duty to their clients and the prohibitions against the use of any insider information. Records of all associates' proprietary trading activities will be kept by the firm, available to regulators to review on the premises.

12. BROKERAGE PRACTICES

A. RECOMMENDATION CRITERIA

The firm requires all accounts to use Interactive Brokers for transaction execution. The firm recognizes its fiduciary responsibility in negotiating brokerage commissions, assuring best execution practices and assuring adequate investment availability/inventory on behalf of its clients. The firm recommends the use of Interactive Brokers because of its low commissions,

superior technology, low margin rates, strong financial position, and it is self-clearing firm as well as a custodian.

With the use of an independent broker-dealer, the client will incur a ticket charge or sales commission for the sale or purchase of securities. The firm does not receive any portion of the ticket charge or sales commission.

i. RESEARCH AND SOFT DOLLARS

“Soft dollars” are defined as a form of payment investment firms can use to pay for goods and services such as news subscriptions or research. When an investment firm gives its business to a particular brokerage firm, the brokerage firm in return can agree to use some of its revenue to pay for these types of services. The firm does not receive any soft dollars from Interactive Brokers or any other custodian.

ii. BROKERAGE FOR CLIENT REFERRALS

The firm does not receive client referrals or any other incentive from Interactive Brokers or any other third party.

iii. DIRECTED BROKERAGE

The firm does not allow clients to direct brokerage services away from Interactive Brokers.

B. TRADE AGGREGATION

Investor Motion will have the authority to aggregate or block client orders placed with the same custodian. To the extent any aggregated or block orders are placed, the firm will cause those orders to be effected through an average price account or similar account such that each account at the same custodian participating in the order shares in the securities purchased or sold, price, and transaction costs pro rata (unless pro rata would be unfair under the circumstances). As a result the average price account will allocate proportionate shares to each client’s account. It will also provide clients with an average price for the securities transaction or transactions, which could reduce the transaction costs for the client.

13. REVIEW OF ACCOUNTS

A. PERIODIC REVIEWS

The firm’s owner, Scott Hawes and J. Jason Parker, review the general holding of the firm’s portfolios on a daily basis.

B. OTHER REVIEWS

Additional reviews are conducted periodically depending on market conditions, economic or political events, or changes in a client’s financial situation that are reported by the client (such as retirement, termination of employment, physical move or inheritance).

C. REPORTS

The firm provides to all clients a weekly newsletter that discusses the performance of the portfolios. Clients receive at least quarterly statements from their custodian. They are emailed a link notifying them a new statement is available and they are required to login to their account to view the statement. The firm urges clients to carefully review such statements.

14. CLIENT REFERRALS AND OTHER COMPENSATION

The firm does not receive extra compensation or any other economic benefit for providing investment advice or other advisory services to clients. The firm does not pay for client referrals or use solicitors. However, from time to time the firm may offer incentives, such as a fee reduction, to current client for referrals.

15. CUSTODY

All client funds, securities and accounts are held at third-party custodians. The firm does not take possession of a client's securities or assets. It does not have custody.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. The Firm urges each client to carefully review such statements.

16. INVESTMENT DISCRETION

The firm's Portfolio Management Services are discretionary. The firm's discretionary authority is obtained when a client signs an investment management agreement that includes a limited power of attorney. The agreement allows the firm to buy and/or sell securities the firm has selected and in the amounts the firm deems suited to the agreed upon portfolio structure. It also allows the firm to place each such trade without the client's prior approval.

17. VOTING CLIENT SECURITIES

The firm will not be responsible for responding to proxies of securities held in clients' accounts. Proxy solicitation materials will be forwarded to clients for response and voting. The client should direct all proxy questions to the issuer of the security.

18. FINANCIAL INFORMATION

A. BALANCE SHEET

Investor Motion does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, this section is not applicable.

B. FINANCIAL CONDITION

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the firm's financial condition. It does not have a financial commitment that impairs its ability to service its clients.

C. BANKRUPTCY

Investor Motion, its owners and its investment adviser representatives have not been the subject of a bankruptcy proceeding.